IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

INCOME TAX APPEAL NO.1030 OF 2000

The Commissioner of Income Tax
Mumbai City I, Mumbai .. Appellant
V/s
M/s.Tata Sons Ltd. .. Respondent

Dr.P.Daniel with Mr.A.S.Rao for the Appellant.

CORAM: DR.S.RADHAKRISHNAN &
J.H.BHATIA, JJ.

DATE : 26/07/2005.

P.C.:

1. Heard the learned Counsel for the Appellant. In this Appeal, the following substantial questions of law have been sought to be raised:-

i) Whether on the facts and in the circumstances of the case the Tribunal was justified in law in deleting the disallowance of Rs.10,81,000/- claimed u/s.37 which was advanced by the assessee to M/s.Tata Mills Ltd to meet expenditure towards its staff and workers prior to the take over of Tata Mills Ltd. by National Textile Corporation with effect from 18/10/83?

ii) Whether on the facts and in the circumstances of the case the Tribunal was justified in law in deleting the disallowance of Rs.1.75 lakhs made by the A.O.being the amount receivable on account of Bills of Exchange?

iii) Whether on the facts and in the circumstances of the case, the Tribunal was justified in law in deleting the disallowance of Rs.42 lakhs being call deposits advanced to Tata Mills Ltd.?

iv) Whether on the facts and in the circumstances of the case, the Tribunal was justified in law in deleting the disallowance of Rs.10,42,663/- made by the A.O. u/s.40A (8) by not treating the assessee as a financial company?

v) Whether on the facts and in the circumstances of the case, the Tribunal was justified in confirming the order of CIT (A) and holding that local taxes paid in foreign countries amounting to Rs.47,53,445/- cannot be disallowed u/s.40(a)(ii) of the Income Tax Act?

vi) Whether on the facts and in the circumstances of the

case, the Tribunal was justified in law in confirming the order of CIT (A) and allowing expenditure of Rs.2,40,000/- being assessee's share in the cost of fire protection system in Bombay House?

vii) Whether on the facts and in the circumstances of the case, the Tribunal was justified in law in confirming the order of CIT(A) and allowing deduction of Rs.60 lakhs being interest paid on borrowed funds?

2. There is no dispute that the original assessee Tata Mills Limited has already been taken over by the National Textile Corporation w.e.f.18th October, 1983 and all the debts have already been become time barred. Under these circumstances, we do not find any substantial question of law involved in this Appeal. Appeal therefore stands dismissed.

(DR.S.RADHAKRISHNAN J.)

(J.H.BHATIA J.)